रजिस्ट्री सं० डी-(डी)-72 REGISTERED No. D-(D)-72

भारत का राजपत्र
The Gazette of India

असाधारण
EXTRAORDINARY
भाग II—खण्ड 1
PART II—Section 1
प्राधिकार से प्रकाशित
PUBLISHED BY AUTHORITY

सं० 2] नई दिल्ली, सोमवार, जनवरी 2, 1984/पौष 12, 1905
No. 2] NEW DELHI, MONDAY, JANUARY 2, 1984/PAUSA 12, 1905

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके ।

Separate paging is given to this Part in order that it may be filed as a separate compilation

**MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS**
**(Legislative Department)**

*New Delhi, the 2nd January,* 1984/*Pausa* 12, 1905 (*Saka*)

The following Act of Parliament received the assent of the President on the 30th December, 1983, and is hereby published for general information:—

# THE PUBLIC FINANCIAL INSTITUTIONS (OBLIGATION AS TO FIDELITY AND SECRECY) ACT, 1983

No. 48 OF 1983

[30*th December,* 1983.]

An Act to provide for the obligation of public financial institutions as to fidelity and secrecy.

BE it enacted by Parliament in the Thirty-fourth Year of the Republic of India as follows:—

**1.** This Act may be called the Public Financial Institutions (Obligation as to Fidelity and Secrecy) Act, 1983. Short title.

**2.** (*1*) In this Act, "public financial institution" means— Definitions.

(*a*) the Industrial Credit and Investment Corporation of India Limited, a company formed and registered under the Indian Companies Act, 1913; 7 of 1913.

(*b*) the Industrial Reconstruction Corporation of India Limited, a company formed and registered under the Companies Act, 1956; or 1 of 1956.

(c) any other institution, being a company as defined in section 617 of the Companies Act, 1956 or a company to which the provisions of section 619 of that Act apply, which the Central Government may, having regard to the nature of the business carried on by such institution, by notification in the Official Gazette, specify to be a public financial institution for the purposes of this Act. 1 of 1956.

(2) Every notification issued under clause (c) of sub-section (1) shall, as soon as may be, after it is issued, be laid before each House of Parliament.

**Obligation as to fidelity and secrecy.**

3. (1) A public financial institution shall not, except as otherwise provided in sub-section (2) or in any other law for the time being in force, divulge any information relating to, or to the affairs of, its constituents except in circumstances in which it is, in accordance with the law or practice and usage, customary among bankers, necessary or appropriate for the public financial institution to divulge such information.

(2) A public financial institution may, for the purpose of efficient discharge of its functions, collect from, or furnish to,—

(a) the Central Government; or

(b) the State Bank of India constituted under section 3 of the State Bank of India Act, 1955, any subsidiary bank within the meaning of the State Bank of India (Subsidiary Banks) Act, 1959, any corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 or under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980, any other scheduled bank within the meaning of the Reserve Bank of India Act, 1934; or 23 of 1955. 38 of 1959. 5 of 1970. 40 of 1980. 2 of 1934.

(c) any other public financial institution,

such credit information or other information as it may consider useful for the purpose, in such manner and at such time as it may think fit.

*Explanation.*—For the purposes of this sub-section, the expression "credit information" shall have the same meaning as in clause (c) of section 45A of the Reserve Bank of India Act, 1934 subject to the modification that the banking company referred to therein shall mean a bank referred to in clause (b) of this sub-section or a public financial institution. 2 of 1934.

**Declaration of fidelity and secrecy.**

4. Every director, member of any committee, auditor or officer or any other employee of a public financial institution to which this Act applies, shall,—

(a) before entering upon his duties; or

(b) where he has entered upon his duties as such before the date on which this Act became applicable to such institution, within thirty days from the date on which this Act became applicable to such institution,

make a declaration of fidelity and secrecy in the form set out in the Schedule to this Act.

Amendment of Act 15 of 1948.

5. In the Industrial Finance Corporation Act, 1948,—

(*a*) section 39 shall be re-numbered as sub-section (*3*) thereof and before sub-section (*3*) as so re-numbered, the following sub-sections shall be inserted, namely:—

'(*1*) The Corporation shall not, except as otherwise required by this Act or any other law for the time being in force, divulge any information relating to, or to the affairs of, its constituents except in circumstances in which it is, in accordance with the law or practice and usage, customary among bankers, necessary or appropriate for the Corporation to divulge such information.

(*2*) The Corporation may, for the purpose of efficient discharge of its functions under this Act, collect from, or furnish to—

(*a*) the Central Government;

(*b*) the State Bank of India constituted under section 3 of the State Bank of India Act, 1955, any subsidiary bank within the meaning of the State Bank of India (Subsidiary Banks) Act, 1959, any corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 or under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980, any other scheduled bank, any State co-operative bank or the Development Bank,

23 of 1955.

38 of 1959.

5 of 1970.

40 of 1980.

such credit information or other information as it may consider useful for the purpose, in such manner and at such time as it may think fit.

*Explanation*.—For the purposes of this sub-section, the expression "credit information" shall have the same meaning as in clause (c) of section 45A of the Reserve Bank of India Act, 1934 subject to the modification that the banking company referred to therein shall mean a bank referred to in clause (*b*) of this sub-section.';

2 of 1934.

(*b*) in the Schedule, for the brackets, words and figures "(*See* section 39)", the brackets, words and figures "[*See* section 39(*3*)]" shall be substituted.

Amendment of Act 63 of 1951.

6. In the State Financial Corporations Act, 1951,—

(*a*) section 40 shall be re-numbered as sub-section (*3*) thereof, and before sub-section (*3*) as so re-numbered, the following sub-sections shall be inserted, namely:—

(*1*) The Financial Corporation shall not, except as otherwise required by this Act or any other law for the time being in force, divulge any information relating to, or to the affairs of, its constituents except in circumstances in which it is, in accordance with the law or practice and usage, customary among bankers, necessary or appropriate for the Financial Corporation to divulge such information.

(2) The Financial Corporation may, for the purpose of efficient discharge of its functions under this Act, collect from, or furnish to—

(*a*) the Central Government;

(*b*) the State Bank of India constituted under section 3 of the State Bank of India Act, 1955, any subsidiary bank within the meaning of the State Bank of India (Subsidiary Banks) Act, 1959, any corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 or under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980, any other scheduled bank, any State co-operative bank or the Development Bank, 23 of 1955. 38 of 1959. 5 of 1970. 40 of 1980.

such credit information or other information as it may consider useful for the purpose, in such manner and at such time as it may think fit.

*Explanation.*—For the purposes of this sub-section, the expression "credit information" shall have the same meaning as in clause (*c*) of section 45A of the Reserve Bank of India Act, 1934 subject to the modification that the banking company referred to therein shall mean a bank referred to in clause (*b*) of this sub-section.'; 2 of 1934.

(*b*) in the Schedule, for the brackets, words and figures "(*See* section 40)", the brackets, words andt figures "[*See* section 40(*3*)]" shall be substituted.

## THE SCHEDULE

(*See* section 4)

DECLARATION OF FIDELITY AND SECRECY

I, , do hereby declare that I will faithfully, truly and to the best of my skill and ability, execute and perform the duties required of me as director, member of any Committee, auditor, officer or other employee (as the case may be) of the * and which properly relate to the office or position held by me in, or in relation to, the *.

I further declare that I will not communicate or allow to be communicated to any person not legally entitled thereto any information relating to the affairs of the * or to the affairs of any person having any dealing with the *nor will I allow any such person to inspect, or have access to, any books or documents belonging to, or in the possession of, the *and relating to the business of the * or the business of any person having any dealing with the

Signed before me.

*Signature.*

*Here insert the name of the public financial institution concerned.

R. V. S. PERI SASTRI,
*Secy. to the Govt. of India.*

PRINTED BY THE GENERAL MANAGER, GOVERNMENT OF INDIA PRESS, MINTO ROAD, NEW DELHI AND PUBLISHED BY THE CONTROLLER OF PUBLICATIONS, DELHI, 1984